

Message Text

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15

ACTION ARA-20

INFO OCT-01 ISO-00 CIAE-00 DODE-00 INR-10 NSAE-00 PA-04

RSC-01 USIA-15 PRS-01 SPC-03 SAM-01 AID-20 COME-00

EB-11 FRB-02 TRSE-00 XMB-07 OPIC-12 CIEP-02 LAB-06

SIL-01 OMB-01 AGR-20 STR-08 DRC-01 /147 W

----- 019472

R 132025Z FEB 74

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 7457

UNCLAS SANTIAGO 0714

E.O.11652:N/A

TAGS: ECON AFSP CI

SUBJ: JANUARY COST OF LIVING

REF: SANTIAGO 0173

1. ACCORDING TO DATA PREPARED BY THE NATIONAL INSTITUTE OF STATISTICS, CONSUMER PRICE INDEX (CPI) INCREASED BY 16.39 PERCENT IN JANUARY. THIS FOLLOWS A RELATIVELY MODEST RISE OF 4.7 PERCENT IN DECEMBER.

2. COMMENT: THE INCREASE IS LARGE, ESPECIALLY SINCE IT APPARENTLY INCLUDES ONLY SMALL FRACTION OF SUBSTANTIAL INCREASES IN PETROLEUM PRODUCTS, ELECTRICITY AND CIGARETTES- WHICH OCCURRED TOWARD THE END OF THE MONTH. MOREOVER, FOOD PRICES IN JANUARY WERE UP BY 19.68 PERCENT DESPITE SEASONALLY LOWER PRICES FOR FRUITS AND VEGETABLES. SINCE ANOTHER SHARP CPI RISE IS EXPECTED IN FEBRUARY, THE GOC WILL HAVE TOUGH JOB ACHIEVING GOAL OF LIMITING TOTAL 1974 INFLATION TO 100 PERCENT OR LESS. MIN ECON LENIZ IS SCHEDULED MAKE NATIONWIDE TELEVISION ADDRESS SHORTLY EXPLAINING VARIOUS RECENT ECONOMIC DEVELOPMENTS, INCLUDING ANTI-INFLATION POLICY.

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3. IN APPARENT RECOGNITION OF IMPACT INFLATION ON

LOWER INCOME GROUP, GOC HAS AUTHORIZED EFFECTIVE FE*. 1
SPECIAL BONUS OF E0.2,200 PER CHILD FOR WORKERS EARNING
E0.40,000 OR LESS PER MONTH. WORKERS EARNING BETWEEN
E0.40,000 AND E0.60,000 A MONTH WILL RECEIVE LESSER
AMOUNTS AND THOSE ABOVE E0.60,000 WILL NOT GET THIS BONUS.
POPPER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COST OF LIVING, INFLATION, FRUIT, MILK, SUGAR, RETAIL PRICE INDEXES, VEGETABLES
Control Number: n/a
Copy: SINGLE
Draft Date: 13 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974SANTIA00714
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: SANTIAGO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740235/aaaabgyf.tel
Line Count: 67
Locator: TEXT ON-LINE
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: SANTIAGO 0173
Review Action: RELEASED, APPROVED
Review Authority: martinml
Review Comment: n/a
Review Content Flags:
Review Date: 04 MAR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 MAR 2002 by elbezejf>; APPROVED <27 NOV 2002 by martinml>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: JANUARY COST OF LIVING
TAGS: ECON, AFSP, CI
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005